



Customer Portfolios
Building Best Customers

Johnston & Murphy: Customer Experience Redefined by Data

SITUATION

In 2014, industry analyst Scott Brinker released his annual Marketing Technology Landscape, a roundup of the top vendors in the marketing space. These vendors range from CRM and social analytics to mobile and everything in between. His landscape, which groups vendors by their industry function, captured 947 vendors. In 2015, this number nearly doubled to 1,876 different marketing technology platforms and solutions.

The proliferation of technology has made marketers' lives easier and harder at the same time. While marketing technologies enable brands to capture more customer data, these technologies also spur the growth of marketing silos. When marketing functions such as email, SEM, SEO, display, content marketing, mobile, social, etc. are kept separate from one another, brands are unable to have a holistic view of the customer.

For retail giant Johnston & Murphy, bringing together each marketing functional area to create a complete view of the customer, although seen as important, had not been an organizational priority.

At the time, Johnston & Murphy was collecting online communication information (e.g., email opens, link click-throughs) and transactional data from online and in-store purchases. The retailer was also collecting customers' web behavior data once they clicked through an email to navigate across the Johnston & Murphy website. Initially, however, these data sources were separate from one another.

Since Johnston & Murphy did not have the necessary integrated data sources to create a link across customer online behavior and transactions (online, in-store, or by phone), this created a broken customer experience.

Why?

Because customer website behavior was not integrated into marketing communications, the retailer lacked the insight needed to understand the impact that communications had with the customer and if the retailer was providing relevant and timely information.

When marketing communication is received in an un-orchestrated manner, this can cause friction along the customers' path to purchase, impeding the brand-customer relationship.

SOLUTION

In an effort to create a seamless marketing experience, Johnston & Murphy turned to its marketing technology partners to facilitate the integration of key data sources to support a movement toward closed-loop marketing.

Johnston & Murphy recognized that there is no linear path to purchase. Rather, customers move in and out of the buying cycle, and the onus rests on the brand to deliver content that matches the needs and wants of the customers. As such, closed-loop marketing gives marketers the customer insight they need to develop targeted lifecycle marketing campaigns that engage and encouragement movement along the buyer's journey.

As the company that spent years in the trenches building Johnston & Murphy's marketing database, Customer Portfolios was already connecting in-store purchases with the email communication, resulting in targeted communication with the customer. However, customer website behavior – e.g., products searched, time spent on the website, etc. – remained a missing link to enhance closed-loop marketing that would in turn facilitate lifecycle marketing.

Monetate, a leader in web personalization, testing and optimization, provided a necessary link to creating an

enhanced customer experience that spanned across all of Johnston & Murphy's marketing touch-points from in-store to online and the website.

Customer Portfolios and Monetate worked together to link the customers in the marketing database with those who visited the Johnston & Murphy website. In total, 30% of those who visited the Johnston & Murphy website were marketable customers in the marketing database.

By connecting the marketing database that Customer Portfolios built, containing over 10 years of historical data with Monetate's persistent cookie, capturing customer behavior on the website over a 90-day period, Johnston & Murphy is able to have a much more complete view of the customer. This creates a 360-degree view of the customer, and as a result, Johnston & Murphy is able to enhance its lifecycle marketing campaigns by delivering content that has the most saliency with each customer on a 1:1 level.

RESULTS

Johnston & Murphy launched three tests to begin personalizing the website experience based on the customer profile matched back to the marketing database. The three tests were:

1. Gender-Specific Messaging on the homepage via a slider:

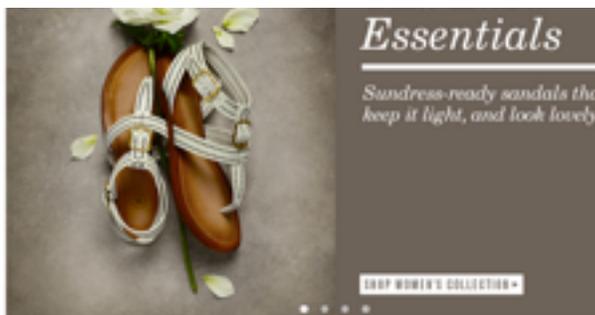


Figure 1: Example of gender-based messaging

2. Offering discounts on apparel to those who

previously only bought shoes:

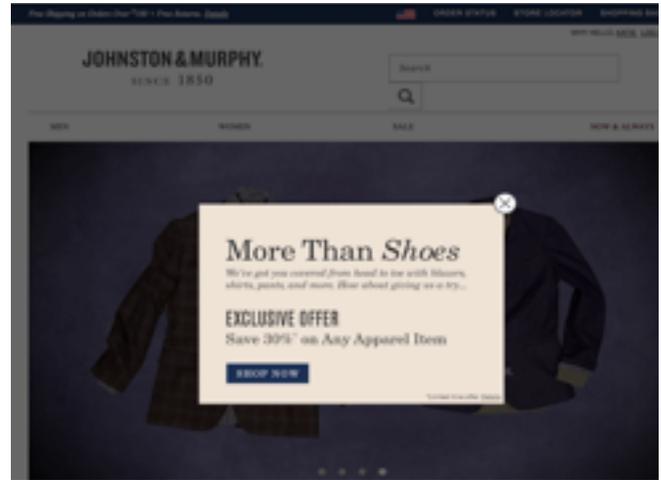


Figure 2: Example of targeted offer

3. Offering free shipping to 'best customers' (those who have spent > \$1000 in the past 12 months)

Results have been impressive to this point, especially with capturing the female buyer. Such results for the experiment include:

- **16.4%** increase in revenue per session
- **6.6%** increase in average order value per session
- **23.3%** increase in new visitor conversion rate

By creating a personalized web experience that corresponds with an individual customer profile, Johnston & Murphy is able to connect with a new target and capture new customers. For example, the retailer can identify when male or female customer visits the site and deliver gender-specific content. Moreover, this personalized experience goes beyond basic demographic information and the retailer can tailor the website experience to past purchase behavior and serve up site content that has potential products of interest.

SUMMARY

In an era where many companies are swimming in big data and uncertain how to unlock value from it, retailer Johnston & Murphy instinctively knew that to be able to do more with their data, they needed to know more. Appreciating the value data could provide, Johnston & Murphy tapped Customer Portfolios to make the data actionable, and in turn, make smarter and better marketing decisions.

The retailer understood that once they knew more from their data, that they could then do more with their data. Together, Customer Portfolios and Monetate are making this possible. By combining the marketing database with the website personalization, Johnston & Murphy greatly enhanced its closed-loop marketing.



Figure 3: Illustrates a closed-loop marketing system

Closed-loop marketing gives brands such as Johnston & Murphy detailed customer insight needed to execute highly effective lifecycle marketing campaigns and have fully orchestrated marketing communication that is based on the individual customer.